



# GREEN MARKETING: OPPORTUNITIES, CHALLENGES AND SUGGESTIONS

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## ABSTRACT

Green marketing is a very important marketing concept today. With the changing environmental pattern and global warming, it is very much required to focus on environment friendly products. These products are safe to use. Due to all these requirements, green marketing has emerged, and it has become very indispensable part of management nowadays. Now consumers are also becoming socially responsible about the environment and are changing their behavioral pattern. Green Marketing aims at marketing sustainable and socially-responsible products and services. Every company now wants to enter into this new market of green products as there are lots of opportunities and unexplored markets. Although in the beginning manufacturing of green products cost more to the company but in the long run it is very beneficial for the growth of the company. This Paper describes the meaning of Green Marketing its advantages, needs and challenges faced by business concerns. Green marketing is the process of developing products and services and promoting them to satisfy the customers who prefer products of good quality, performance and convenience at affordable cost, which at the same time do not have a detrimental impact on the environment. It includes all types of activities like product modification, alteration in production process, modified packaging, and changed advertising, change in packaging.

**KEYWORDS:** Green Marketing, Green Product, Challenges.

## Introduction

According to the American Marketing Association, "Green marketing is the marketing of products that are Presumed to be environmentally safe, involves developing and promoting products and services that satisfy customers want and need for Quality, Performance, Affordable Pricing and Convenience without having a detrimental input on the environment"

Green marketing is the process of developing products and services and promoting them to satisfy the customers who prefer products of good quality, performance and convenience at affordable cost, which at the same time do not have a detrimental impact on the environment. It includes a broad range of activities like product modification, changing the production process, modified advertising, change in packaging etc, aimed at reducing the detrimental impact of products and their consumption and disposal on the environment. Environmental concerns have increased nowadays that's why. Marketers are also going green. Also people around the globe also are showing interest toward the protection of environment. As a result, green marketing has emerged which speaks for growing market for sustainable and socially responsible products and services. Green marketing is concerned with Growing market for sustainable and socially responsible products and service. World Commission on Environment and Development define sustainable development as meeting "the needs of the present without compromising the ability of future generations to meet their own need" (Brundtland Report, 1987). A green market also involves sustainability as these products can be renewed for future generations as well.

Customers wants are unlimited but firms are having limited natural resources, they must develop new ways of satisfy these unlimited wants of customers.

Green marketing is basically uses the scarce resources to satisfy the wants of customers on one hand and fulfilling sellers' objectives on the other hand. This paper attempts to discuss the following:

- 1) To know the meaning of green marketing and green products
- 2) Why is green marketing so important?
- 3) Problems and challenges with green marketing
- 4) Suggestion to deal with the problem

## Literature Review

Yasminbegum R. Nadaf & Shamshuddin M, Nadaf (2014), this paper takes into account need of green marketing in 21st century. They highlighted on several issues like problems and challenges faced by green marketers and how they deal with these opportunities by following strategies and innovation methods. This paper also highlighted issues which can help green marketers in developing and developed nations.

Singh Gurmeet (2013), Concept of Ethics was introduced in Green Marketing. Marketing should maintain the balance between economic and social goals. Ethics should not be sacrificed for short term gains. This is the need of hour that marketer should better understand the relationship and effects of ethics on green mar-

keting.

Bhatia Mayank, Jain Amit (2013), this paper discusses the relationship of consumer preferences and green products through structured questionnaire. A study was done on a sample size of 106 respondents. it was found that consumer are aware of the concept of green marketing and their preferences and tastes shows a positive impact of proper marketing of green products.

According to Ginsberg & Bloom (2004), the main point is focus on customer understanding of green marketing i.e., whether selling green products to the customers will be beneficial for them or not. Many authors have suggested the same that first we should be focusing on the understanding of green products concept by customers.

## Green Products

A Green product refers to services or practices that allow for economic development while conserving for future generations. These products are less hazardous as compared to the conventional products. These products are produced through green technology (techniques for generating energy to non-toxic cleaning products). It includes activities like product modification, improved production process, sustainable packaging, and modifying advertising. These products are recyclable, reusable and having natural ingredients. examples are rechargeable batteries, reusable water bottles, solar phone charger, LED lights etc.

## Challenges in Green Marketing

- 1) **Standardization:** there is no regulatory body that standardized the green products. It is very difficult to claim that the product is actually organic due to lack of standardization which can certify the product authenticity. There is a Lack of credibility by consumers .people have no trust regarding the misleading claims.
- 2) **Costly Affair:** Manufacturing green products is a very costly affair as in it requires renewable and recyclable material, which is very costly, it requires huge investment in R & D, Water treatment technology, which is too costly. So the production cost of making green products becomes very high.
- 3) **New concept:** Green marketing is a very new concept. People are now learning the meaning of green products. But although the opportunities are several for urban customers, rural customers are still lagging behind due to lack of promotional and communicational activities.
- 4) **Buying Behavior** since this green marketing is a very new concept only few people know about this. That's why its affect their buying behavior too. They are first inclined towards their conventional products, because they are used to them. It takes time for the customers to change their preferences any showcase a favorable buying behavior towards these green products
- 5) **Premium Pricing:** Due to high cost of production, green products are costlier than the conventional products. Customers are more concerned about pricing so they compare the pricing of green products with conventional one any obviously make their pricing driven choices. They are not ready to pay premium for green products. Its not truly their fault but they have confusion

regarding green claims or misleading claims by the companies.

### Why Green Marketing?

Companies are opting for green marketing due to the following reasons:

**Opportunity:** As green marketing is a new concept, there underlies lots of opportunities also. It helps in exploring new markets. People are now becoming aware of green marketing and they are now ready to change their preferences.

**Social-Responsibility:** most of the companies are becoming socially responsible towards the society and has realized that they should behave in an environment-friendly manner. For example the world's first bank which went carbon-neutral is the HSBC Bank.

**Government Pressure:** The Indian government has also intervened in the market and now they are also taking initiative in socially responsible manner so that ultimately it benefits the society. For example, plastic bags are banned in Mumbai, smoking is not allowed in public areas, etc.

**Competitive-Pressure:** Due to increased competition, it is very difficult to survive in the market. Green marketing helps the companies to gain the competitive edge.

**Cost-Reduction:** green marketing can help in cost reduction too if the waste products are properly utilized. Because renewable products can be used in the manufacturing of organic products. Initially it costs much but it saves money in the long run.

**Environment Friendly:** green products are environment friendly and it helps the environment manifold. It reduces the wastes and uses the renewable product in their manufacturing.

**Proud Workers:** the employees of the companies which are making green products also feels very proud in working for the company who is behaving in a socially responsible manner.

### Green Initiatives

#### Ford Motor Company:

Automotive Industry is considered to be one of the heaviest polluters around, but Ford Motor Company is making a turn in its image with a ten part environmental policy with which the company is working for years. Ford is using sustainable fabrics in its vehicles that are considered to be environmentally safe. Its vehicles named Escape and Focus are recyclable up to the extent of 80 percent. Ford Company also innovates in fuel efficiency, with the main focus on six speed transmission category.

#### Johnson & Johnson:

Johnson & Johnson is producing environmentally safe products for past several years. Its main focus is on reduction of waste in manufacturing and distribution process and usage of sustainable products and packaging methods.

#### DELL India:

The discount coupons and the Dell Go Green Challenge by Dell India was introduced for the promotion of greener approach towards adoption of technology. These initiative are taken with a view to make customer aware of the concept of green marketing and also to make use of cost effective measures.

### Suggestions and Conclusion

Green marketing is inevitable in present day scenario. Environmental concerns has become the primary issue nowadays so it is pertinent for the marketers to adopt green marketing strategies and make the customers aware of the same. If globally these products are marketed then whole world can be saved from environmental disasters e.g. pollution. Also from marketer point of view since this area is new there are opportunities which can be tapped through paper recycling, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. Education of customers regarding the concept is must which can help in building the desired consumer value. Also the relevance of endorsements and certifications should be taught to them. Customers wants are unlimited but firms are having limited natural resources, they must develop new ways of satisfy these unlimited wants of customers.

Employment of only specific and meaningful environmental safe claimed product can creates a confidence in the minds of consumers. Certifications and endorsements from certified agencies also helps in boosting the confidence of customers.

The government should also intervene and make the policy changes from time to time as per the changing needs of the society. As India is a multi religious and multi cultural country with different tastes and preferences there cannot be a single policy that's fits all, so Indian companies have to adopt the policies accordingly as per the requirements of the people working therein. a lot Of work is needed to be done to make green products fully workable in India. Consumer awareness needs to be increased. Marketers should also learn to understand the implications of green marketing. As far as future organizations are concerned, basic attention should be given to impact of business concerns on the environ-

ment and society so that these organization can function in a socially responsible manner.

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